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HONORABLE FREDERICK P. CORBIT

5

6 UNITED STATES BANKRUPTCY COURT  
7 EASTERN DISTRICT OF WASHINGTON

8 In re  
9 KATE QUINN ORGANICS, INC.,  
10 Debtor.

Chapter 11  
Case No. 25-00445-FPC11

11

**NOTICE OF FILING OF  
SUPPLEMENTAL EXHIBITS TO  
DISCLOSURE STATEMENT FOR  
PLAN OF REORGANIZATION**

12

13 **PLEASE TAKE NOTICE** that, on July 12, 2025, Kate Quinn Organics, Inc.  
14 (the “Debtor”), debtor and debtor-in-possession in the above-captioned chapter 11  
bankruptcy case, filed its *Disclosure Statement for Plan of Reorganization* [ECF No.  
93] (the “Disclosure Statement”). The Disclosure Statement indicates that Exhibits A,  
15 B, and C would be supplemented.

16 **PLEASE TAKE FURTHER NOTICE** that attached hereto are: Exhibit A  
17 (Debtor’s Projections for 2025 through 2030), Exhibit B (Assumptions Underlying the  
Projections), and Exhibit C (Liquidation Analysis) to the Disclosure Statement.

18 DATED this 14<sup>th</sup> day of July, 2025.  
19

20 BUSH KORNFELD LLP

21 By /s/ Richard B. Keeton  
22 Jason Wax, WSBA #41944  
Richard B. Keeton, WSBA #51537  
23 *Attorneys for Debtor-in-Possession*

NOTICE OF FILING OF SUPPLEMENTAL EXHIBITS TO  
DISCLOSURE STATEMENT FOR PLAN OF  
REORGANIZATION – Page 1

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## **EXHIBIT A**

**Debtor's Projections for 2025 through 2030**

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Est. Plan Confirmation												Total FY25	% Rev	
	Actual 1/31/2025	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Forecast 7/31/2025	Forecast 8/31/2025	Forecast 9/30/2025	Forecast 10/31/2025	Forecast 11/30/2025	Forecast 12/31/2025	Forecast Total FY25		
Beginning Cash							\$ 468,343	\$ 418,800	\$ 470,100	\$ 544,000	\$ 600,800	\$ 514,100			
<b>Income</b>															
Deposits	884,833	596,091	719,668	1,083,593	663,322	692,073	814,600	1,212,700	1,000,200	1,065,400	789,200	998,700	10,520,379	103%	
Processing Fees	(105,087)	(9,163)	(3,455)	(25,472)	(27,122)	(16,586)	(18,500)	(27,600)	(22,700)	(24,200)	(17,900)	(22,700)	(320,484)	-3%	
<b>Income</b>	<b>779,746</b>	<b>586,928</b>	<b>716,213</b>	<b>1,058,121</b>	<b>636,200</b>	<b>675,487</b>	<b>796,100</b>	<b>1,185,100</b>	<b>977,500</b>	<b>1,041,200</b>	<b>771,300</b>	<b>976,000</b>	<b>10,199,895</b>	<b>100%</b>	
<b>COGS</b>															
Inventory Purchases	365,911	219,095	365,278	538,526	363,627	212,371	243,200	443,600	363,500	305,700	384,700	312,600	4,118,109	40%	
3PL	-	-	-	-	-	99,345	100,800	216,200	153,100	180,700	69,800	182,300	1,002,245	10%	
<b>COGS</b>	<b>365,911</b>	<b>219,095</b>	<b>365,278</b>	<b>538,526</b>	<b>363,627</b>	<b>311,716</b>	<b>344,000</b>	<b>659,800</b>	<b>516,600</b>	<b>486,400</b>	<b>454,500</b>	<b>494,900</b>	<b>5,120,354</b>	<b>50%</b>	
<b>Gross Profit</b>	<b>413,835</b>	<b>367,833</b>	<b>350,935</b>	<b>519,595</b>	<b>272,572</b>	<b>363,771</b>	<b>452,100</b>	<b>525,300</b>	<b>460,900</b>	<b>554,800</b>	<b>316,800</b>	<b>481,100</b>	<b>5,079,541</b>	<b>50%</b>	
% of Income	53%	63%	49%	49%	43%	54%	57%	44%	47%	53%	41%	49%	50%		
<b>Expenses</b>															
<b>Payroll Expenses</b>															
Wages	208,255	216,124	126,897	206,245	234,709	122,311	132,800	122,300	122,300	132,800	122,300	122,300	1,869,340	18%	
401k Match / Profit Sharing	11,730	9,633	-	7,621	-	-	9,900	3,100	3,100	3,300	3,100	3,100	54,584	1%	
Employee Benefits	21,296	347	28,189	20,999	11,773	17,462	16,700	16,700	16,700	16,700	16,700	16,700	200,266	2%	
<b>Payroll Expenses</b>	<b>241,281</b>	<b>226,104</b>	<b>155,086</b>	<b>234,865</b>	<b>246,482</b>	<b>139,773</b>	<b>159,400</b>	<b>142,100</b>	<b>142,100</b>	<b>152,800</b>	<b>142,100</b>	<b>142,100</b>	<b>2,124,190</b>	<b>21%</b>	
<b>Operating Expenses</b>															
Advertising & Marketing	12,671	56,901	32,201	34,309	51,515	61,615	60,000	117,500	101,100	85,200	80,600	96,600	790,212	8%	
Facilities	4,765	98,154	5,982	45,618	3,636	13,265	7,200	7,200	7,200	7,200	7,200	7,200	214,621	2%	
Professional Fees	2,749	800	-	-	-	-	-	-	-	-	7,500	7,500	18,549	0%	
General & Administrative	51,640	25,316	(5,190)	1,575	6,516	10,442	16,000	16,000	16,000	16,000	16,000	16,000	186,299	2%	
Office Expense	2,400	(2,192)	-	1,615	3,693	2,934	2,700	2,700	2,700	2,700	2,700	2,700	24,650	0%	
Software & Equipment	19,249	16,312	6,344	10,293	5,531	4,414	6,700	6,700	6,700	6,700	6,700	6,700	102,344	1%	
Insurance	7,202	794	14,274	1,063	1,399	170	1,200	1,200	1,200	1,200	1,200	1,200	32,102	0%	
Sales Tax	-	-	-	40,466	-	-	120,700	120,600	50,000	53,300	39,500	49,900	474,466	5%	
<b>Operating Expenses</b>	<b>100,676</b>	<b>196,085</b>	<b>53,611</b>	<b>134,940</b>	<b>72,290</b>	<b>92,839</b>	<b>214,500</b>	<b>271,900</b>	<b>184,900</b>	<b>172,300</b>	<b>161,400</b>	<b>187,800</b>	<b>1,843,241</b>	<b>18%</b>	
<b>Finance and Admin</b>	<b>122,864</b>	<b>20,083</b>	<b>804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143,751</b>	<b>1%</b>	
<b>Total Expenses</b>	<b>464,822</b>	<b>442,271</b>	<b>209,501</b>	<b>369,805</b>	<b>318,771</b>	<b>232,612</b>	<b>373,900</b>	<b>414,000</b>	<b>327,000</b>	<b>325,100</b>	<b>303,500</b>	<b>329,900</b>	<b>4,111,182</b>	<b>40%</b>	
<b>Other Income/Expense</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
<b>Bankruptcy Expenses</b>	-														
Trustee Fees	-	-	-	-	2,047	-	17,700	-	-	22,900	-	-	42,647	0%	
Adequate Protection Payments	-	-	-	10,000	-	10,000	10,000	10,000	10,000	-	-	-	50,000	0%	
Professional Fund	-	-	30,000	1,821	50,000	-	100,000	50,000	50,000	50,000	-	-	331,821	3%	
Plan Payments											2,700	2,700	2,700	8,100	0%
SBA Claim							-	-	-	-	7,300	7,300	7,300	21,900	0%
Priority Tax Claims							-	-	-	-	90,000	90,000	90,000	270,000	3%
Unsecured Claims							-	-	-	-	90,000	90,000	90,000	270,000	3%
Excess Cash Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
<b>Bankruptcy Expenses</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>11,821</b>	<b>52,047</b>	<b>10,000</b>	<b>127,700</b>	<b>60,000</b>	<b>60,000</b>	<b>172,900</b>	<b>100,000</b>	<b>100,000</b>	<b>724,468</b>	<b>7%</b>	
<b>Net Income</b>	<b>(50,987)</b>	<b>(74,439)</b>	<b>111,434</b>	<b>137,969</b>	<b>(98,246)</b>	<b>121,160</b>	<b>(49,500)</b>	<b>51,300</b>	<b>73,900</b>	<b>56,800</b>	<b>(86,700)</b>	<b>51,200</b>	<b>968,359</b>	<b>9%</b>	
<b>Total Cash Flow:</b>	<b>6,361,703</b>	<b>(48,802)</b>	<b>111,434</b>	<b>137,969</b>	<b>(98,246)</b>	<b>121,160</b>	<b>(49,500)</b>	<b>51,300</b>	<b>73,900</b>	<b>56,800</b>	<b>(86,700)</b>	<b>51,200</b>	<b>7,406,686</b>	<b>73%</b>	
<b>Ending Cash Balance</b>							468,343	418,800	470,100	544,000	600,800	514,100	565,300		

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Forecast 1/31/2026	Forecast 2/28/2026	Forecast 3/31/2026	Forecast 4/30/2026	Forecast 5/31/2026	Forecast 6/30/2026	Forecast 7/31/2026	Forecast 8/31/2026	Forecast 9/30/2026	Forecast 10/31/2026	Forecast 11/30/2026	Forecast 12/31/2026	Forecast Total FY26	% Rev
Beginning Cash	\$ 565,300	\$ 545,000	\$ 430,200	\$ 369,100	\$ 455,000	\$ 369,400	\$ 296,300	\$ 264,800	\$ 417,900	\$ 478,600	\$ 556,300	\$ 525,300		
<b>Income</b>														
Deposits	911,400	614,000	741,300	1,116,100	683,200	712,800	839,000	1,249,100	1,030,200	1,097,400	812,900	1,028,700	10,836,100	102%
Processing Fees	(20,700)	(13,900)	(16,800)	(25,300)	(15,500)	(16,200)	(19,100)	(28,400)	(23,400)	(24,900)	(18,500)	(23,400)	(246,100)	-2%
<b>Income</b>	<b>890,700</b>	<b>600,100</b>	<b>724,500</b>	<b>1,090,800</b>	<b>667,700</b>	<b>696,600</b>	<b>819,900</b>	<b>1,220,700</b>	<b>1,006,800</b>	<b>1,072,500</b>	<b>794,400</b>	<b>1,005,300</b>	<b>10,590,000</b>	<b>100%</b>
<b>COGS</b>														
Inventory Purchases	319,000	214,900	259,500	390,600	239,100	249,500	293,700	437,200	360,600	384,100	284,500	360,000	3,792,700	36%
3PL	141,300	95,200	114,900	173,000	105,900	110,500	130,000	193,600	159,700	170,100	126,000	159,400	1,679,600	16%
<b>COGS</b>	<b>460,300</b>	<b>310,100</b>	<b>374,400</b>	<b>563,600</b>	<b>345,000</b>	<b>360,000</b>	<b>423,700</b>	<b>630,800</b>	<b>520,300</b>	<b>554,200</b>	<b>410,500</b>	<b>519,400</b>	<b>5,472,300</b>	<b>52%</b>
<b>Gross Profit</b>	<b>430,400</b>	<b>290,000</b>	<b>350,100</b>	<b>527,200</b>	<b>322,700</b>	<b>336,600</b>	<b>396,200</b>	<b>589,900</b>	<b>486,500</b>	<b>518,300</b>	<b>383,900</b>	<b>485,900</b>	<b>5,117,700</b>	<b>48%</b>
% of Income	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
<b>Expenses</b>														
<b>Payroll Expenses</b>														
Wages	150,300	139,200	139,200	150,300	139,200	139,200	150,300	139,200	150,300	139,200	139,200	139,200	1,714,800	16%
401k Match / Profit Sharing	3,800	3,500	3,500	3,800	3,500	3,500	3,800	3,500	3,500	3,800	3,500	3,500	43,200	0%
Employee Benefits	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	236,400	2%
<b>Payroll Expenses</b>	<b>173,800</b>	<b>162,400</b>	<b>162,400</b>	<b>173,800</b>	<b>162,400</b>	<b>162,400</b>	<b>173,800</b>	<b>162,400</b>	<b>162,400</b>	<b>173,800</b>	<b>162,400</b>	<b>162,400</b>	<b>1,994,400</b>	<b>19%</b>
<b>Operating Expenses</b>														
Advertising & Marketing	69,100	69,100	69,100	69,100	69,100	69,100	69,100	69,100	69,100	69,100	69,100	69,100	829,200	8%
Facilities	7,200	7,200	7,200	7,200	7,200	7,200	7,400	7,400	7,400	7,400	7,400	7,400	87,600	1%
Professional Fees	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000	1%
General & Administrative	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	201,600	2%
Office Expense	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	33,600	0%
Software & Equipment	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000	1%
Insurance	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600	0%
Sales Tax	45,600	30,700	37,100	55,800	34,200	35,600	42,000	62,500	51,500	54,900	40,600	51,400	541,900	5%
<b>Operating Expenses</b>	<b>157,300</b>	<b>142,400</b>	<b>148,800</b>	<b>167,500</b>	<b>145,900</b>	<b>147,300</b>	<b>153,900</b>	<b>174,400</b>	<b>163,400</b>	<b>166,800</b>	<b>152,500</b>	<b>163,300</b>	<b>1,883,500</b>	<b>18%</b>
<b>Finance and Admin</b>														0%
<b>Total Expenses</b>	<b>331,100</b>	<b>304,800</b>	<b>311,200</b>	<b>341,300</b>	<b>308,300</b>	<b>309,700</b>	<b>327,700</b>	<b>336,800</b>	<b>325,800</b>	<b>340,600</b>	<b>314,900</b>	<b>325,700</b>	<b>3,877,900</b>	<b>37%</b>
<b>Other Income/Expense</b>														0%
<b>Bankruptcy Expenses</b>														
Trustee Fees	19,600	-	-	-	-	-	-	-	-	-	-	-	19,600	0%
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Professional Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Plan Payments														
SBA Claim	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400	0%
Priority Tax Claims	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	87,600	1%
Unsecured Claims	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	10%
Excess Cash Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Bankruptcy Expenses</b>	<b>119,600</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,219,600</b>	<b>12%</b>								
<b>Net Income</b>	<b>(20,300)</b>	<b>(114,800)</b>	<b>(61,100)</b>	<b>85,900</b>	<b>(85,600)</b>	<b>(73,100)</b>	<b>(31,500)</b>	<b>153,100</b>	<b>60,700</b>	<b>77,700</b>	<b>(31,000)</b>	<b>60,200</b>	<b>1,239,800</b>	<b>12%</b>
<b>Total Cash Flow:</b>														
<b>Ending Cash Balance</b>	<b>545,000</b>	<b>430,200</b>	<b>369,100</b>	<b>455,000</b>	<b>369,400</b>	<b>296,300</b>	<b>264,800</b>	<b>417,900</b>	<b>478,600</b>	<b>556,300</b>	<b>525,300</b>	<b>585,500</b>		

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Forecast 1/31/2027	Forecast 2/28/2027	Forecast 3/31/2027	Forecast 4/30/2027	Forecast 5/31/2027	Forecast 6/30/2027	Forecast 7/31/2027	Forecast 8/31/2027	Forecast 9/30/2027	Forecast 10/31/2027	Forecast 11/30/2027	Forecast 12/31/2027	Forecast Total FY27	% Rev
Beginning Cash	\$ 585,500	\$ 582,400	\$ 461,700	\$ 396,300	\$ 482,100	\$ 391,400	\$ 313,600	\$ 278,700	\$ 434,100	\$ 494,100	\$ 571,600	\$ 537,100		
<b>Income</b>														
Deposits	938,700	632,400	763,500	1,149,600	703,700	734,200	864,200	1,286,600	1,061,100	1,130,300	837,300	1,059,600	11,161,200	102%
Processing Fees	(21,300)	(14,400)	(17,400)	(26,100)	(16,000)	(16,700)	(19,600)	(29,200)	(24,100)	(25,700)	(19,000)	(24,100)	(253,600)	-2%
<b>Income</b>	<b>917,400</b>	<b>618,000</b>	<b>746,100</b>	<b>1,123,500</b>	<b>687,700</b>	<b>717,500</b>	<b>844,600</b>	<b>1,257,400</b>	<b>1,037,000</b>	<b>1,104,600</b>	<b>818,300</b>	<b>1,035,500</b>	<b>10,907,600</b>	<b>100%</b>
<b>COGS</b>														
Inventory Purchases	328,500	221,300	267,200	402,400	246,300	257,000	302,500	450,300	371,400	395,600	293,100	370,900	3,906,500	36%
3PL	145,500	98,000	118,300	178,200	109,100	113,800	134,000	199,400	164,500	175,200	129,800	164,200	1,730,000	16%
<b>COGS</b>	<b>474,000</b>	<b>319,300</b>	<b>385,500</b>	<b>580,600</b>	<b>355,400</b>	<b>370,800</b>	<b>436,500</b>	<b>649,700</b>	<b>535,900</b>	<b>570,800</b>	<b>422,900</b>	<b>535,100</b>	<b>5,636,500</b>	<b>52%</b>
<b>Gross Profit</b>	<b>443,400</b>	<b>298,700</b>	<b>360,600</b>	<b>542,900</b>	<b>332,300</b>	<b>346,700</b>	<b>408,100</b>	<b>607,700</b>	<b>501,100</b>	<b>533,800</b>	<b>395,400</b>	<b>500,400</b>	<b>5,271,100</b>	<b>48%</b>
% of Income	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
<b>Expenses</b>														
<b>Payroll Expenses</b>														
Wages	157,800	146,200	146,200	157,800	146,200	146,200	157,800	146,200	146,200	157,800	146,200	146,200	1,800,800	17%
401k Match / Profit Sharing	3,900	3,700	3,700	3,900	3,700	3,700	3,900	3,700	3,700	3,900	3,700	3,700	45,200	0%
Employee Benefits	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	248,400	2%
<b>Payroll Expenses</b>	<b>182,400</b>	<b>170,600</b>	<b>170,600</b>	<b>182,400</b>	<b>170,600</b>	<b>170,600</b>	<b>182,400</b>	<b>170,600</b>	<b>170,600</b>	<b>182,400</b>	<b>170,600</b>	<b>170,600</b>	<b>2,094,400</b>	<b>19%</b>
<b>Operating Expenses</b>														
Advertising & Marketing	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	871,200	8%
Facilities	7,400	7,400	7,400	7,400	7,400	7,400	7,600	7,600	7,600	7,600	7,600	7,600	90,000	1%
Professional Fees	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	94,800	1%
General & Administrative	17,600	17,600	17,600	17,600	17,600	17,600	17,600	17,600	17,600	17,600	17,600	17,600	211,200	2%
Office Expense	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	34,800	0%
Software & Equipment	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	88,800	1%
Insurance	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	16,800	0%
Sales Tax	46,900	31,600	38,200	57,500	35,200	36,700	43,200	64,300	53,100	56,500	41,900	53,000	558,100	5%
<b>Operating Expenses</b>	<b>164,100</b>	<b>148,800</b>	<b>155,400</b>	<b>174,700</b>	<b>152,400</b>	<b>153,900</b>	<b>160,600</b>	<b>181,700</b>	<b>170,500</b>	<b>173,900</b>	<b>159,300</b>	<b>170,400</b>	<b>1,965,700</b>	<b>18%</b>
<b>Finance and Admin</b>														0%
<b>Total Expenses</b>	<b>346,500</b>	<b>319,400</b>	<b>326,000</b>	<b>357,100</b>	<b>323,000</b>	<b>324,500</b>	<b>343,000</b>	<b>352,300</b>	<b>341,100</b>	<b>356,300</b>	<b>329,900</b>	<b>341,000</b>	<b>4,060,100</b>	<b>37%</b>
<b>Other Income/Expense</b>														0%
<b>Bankruptcy Expenses</b>														
Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Professional Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Plan Payments														
SBA Claim	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400	0%
Priority Tax Claims	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	87,600	1%
Unsecured Claims	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	10%
Excess Cash Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Bankruptcy Expenses</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,200,000</b>	<b>11%</b>									
<b>Net Income</b>	<b>(3,100)</b>	<b>(120,700)</b>	<b>(65,400)</b>	<b>85,800</b>	<b>(90,700)</b>	<b>(77,800)</b>	<b>(34,900)</b>	<b>155,400</b>	<b>60,000</b>	<b>77,500</b>	<b>(34,500)</b>	<b>59,400</b>	<b>1,211,000</b>	<b>11%</b>
<b>Total Cash Flow:</b>														
<b>Ending Cash Balance</b>	<b>582,400</b>	<b>461,700</b>	<b>396,300</b>	<b>482,100</b>	<b>391,400</b>	<b>313,600</b>	<b>278,700</b>	<b>434,100</b>	<b>494,100</b>	<b>571,600</b>	<b>537,100</b>	<b>596,500</b>		

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Forecast 1/31/2028	Forecast 2/29/2028	Forecast 3/31/2028	Forecast 4/30/2028	Forecast 5/31/2028	Forecast 6/30/2028	Forecast 7/31/2028	Forecast 8/31/2028	Forecast 9/30/2028	Forecast 10/31/2028	Forecast 11/30/2028	Forecast 12/31/2028	Forecast Total FY28	% Rev
Beginning Cash	\$ 596,500	\$ 594,000	\$ 470,700	\$ 404,500	\$ 493,800	\$ 401,600	\$ 322,600	\$ 287,500	\$ 448,600	\$ 511,700	\$ 592,200	\$ 557,900		
<b>Income</b>														
Deposits	966,900	651,400	786,400	1,184,100	724,800	756,200	890,100	1,325,200	1,092,900	1,164,200	862,400	1,091,400	11,496,000	102%
Processing Fees	(22,000)	(14,800)	(17,900)	(26,900)	(16,500)	(17,200)	(20,200)	(30,100)	(24,800)	(26,500)	(19,600)	(24,800)	(261,300)	-2%
<b>Income</b>	<b>944,900</b>	<b>636,600</b>	<b>768,500</b>	<b>1,157,200</b>	<b>708,300</b>	<b>739,000</b>	<b>869,900</b>	<b>1,295,100</b>	<b>1,068,100</b>	<b>1,137,700</b>	<b>842,800</b>	<b>1,066,600</b>	<b>11,234,700</b>	<b>100%</b>
<b>COGS</b>														
Inventory Purchases	338,400	228,000	275,200	414,400	253,700	264,700	311,500	463,800	382,500	407,500	301,800	382,000	4,023,500	36%
3PL	149,900	101,000	121,900	183,500	112,300	117,200	138,000	205,400	169,400	180,500	133,700	169,200	1,782,000	16%
<b>COGS</b>	<b>488,300</b>	<b>329,000</b>	<b>397,100</b>	<b>597,900</b>	<b>366,000</b>	<b>381,900</b>	<b>449,500</b>	<b>669,200</b>	<b>551,900</b>	<b>588,000</b>	<b>435,500</b>	<b>551,200</b>	<b>5,805,500</b>	<b>52%</b>
<b>Gross Profit</b>	<b>456,600</b>	<b>307,600</b>	<b>371,400</b>	<b>559,300</b>	<b>342,300</b>	<b>357,100</b>	<b>420,400</b>	<b>625,900</b>	<b>516,200</b>	<b>549,700</b>	<b>407,300</b>	<b>515,400</b>	<b>5,429,200</b>	<b>48%</b>
% of Income	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
<b>Expenses</b>														
<b>Payroll Expenses</b>														
Wages	165,700	153,500	153,500	165,700	153,500	153,500	165,700	153,500	153,500	165,700	153,500	153,500	1,890,800	17%
401k Match / Profit Sharing	4,100	3,800	3,800	4,100	3,800	3,800	4,100	3,800	3,800	4,100	3,800	3,800	46,800	0%
Employee Benefits	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	260,400	2%
<b>Payroll Expenses</b>	<b>191,500</b>	<b>179,000</b>	<b>179,000</b>	<b>191,500</b>	<b>179,000</b>	<b>191,500</b>	<b>179,000</b>	<b>191,500</b>	<b>179,000</b>	<b>191,500</b>	<b>179,000</b>	<b>191,500</b>	<b>2,198,000</b>	<b>20%</b>
<b>Operating Expenses</b>														
Advertising & Marketing	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	72,600	871,200	8%
Facilities	7,600	7,600	7,600	7,600	7,600	7,600	7,800	7,800	7,800	7,800	7,800	7,800	92,400	1%
Professional Fees	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300	99,600	1%
General & Administrative	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	18,500	222,000	2%
Office Expense	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	0%
Software & Equipment	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	93,600	1%
Insurance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	0%
Sales Tax	48,300	32,600	39,300	59,200	36,200	37,800	44,500	66,300	54,600	58,200	43,100	19,100	539,200	5%
<b>Operating Expenses</b>	<b>167,600</b>	<b>151,900</b>	<b>158,600</b>	<b>178,500</b>	<b>155,500</b>	<b>157,100</b>	<b>164,000</b>	<b>185,800</b>	<b>174,100</b>	<b>177,700</b>	<b>162,600</b>	<b>138,600</b>	<b>1,972,000</b>	<b>18%</b>
<b>Finance and Admin</b>														0%
<b>Total Expenses</b>	<b>359,100</b>	<b>330,900</b>	<b>337,600</b>	<b>370,000</b>	<b>334,500</b>	<b>336,100</b>	<b>355,500</b>	<b>364,800</b>	<b>353,100</b>	<b>369,200</b>	<b>341,600</b>	<b>317,600</b>	<b>4,170,000</b>	<b>37%</b>
<b>Other Income/Expense</b>														0%
<b>Bankruptcy Expenses</b>														
Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Professional Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Plan Payments														
SBA Claim	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400	0%
Priority Tax Claims	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	87,600	1%
Unsecured Claims	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	10%
Excess Cash Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Bankruptcy Expenses</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,200,000</b>	<b>11%</b>									
<b>Net Income</b>	<b>(2,500)</b>	<b>(123,300)</b>	<b>(66,200)</b>	<b>89,300</b>	<b>(92,200)</b>	<b>(79,000)</b>	<b>(35,100)</b>	<b>161,100</b>	<b>63,100</b>	<b>80,500</b>	<b>(34,300)</b>	<b>97,800</b>	<b>1,259,200</b>	<b>11%</b>
<b>Total Cash Flow:</b>														
<b>Ending Cash Balance</b>	<b>594,000</b>	<b>470,700</b>	<b>404,500</b>	<b>493,800</b>	<b>401,600</b>	<b>322,600</b>	<b>287,500</b>	<b>448,600</b>	<b>511,700</b>	<b>592,200</b>	<b>557,900</b>	<b>655,700</b>		

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Forecast 1/31/2029	Forecast 2/28/2029	Forecast 3/31/2029	Forecast 4/30/2029	Forecast 5/31/2029	Forecast 6/30/2029	Forecast 7/31/2029	Forecast 8/31/2029	Forecast 9/30/2029	Forecast 10/31/2029	Forecast 11/30/2029	Forecast 12/31/2029	Forecast Total FY29	% Rev
Beginning Cash	\$ 655,700	\$ 649,900	\$ 520,400	\$ 449,600	\$ 538,600	\$ 441,000	\$ 357,200	\$ 300,000	\$ 463,300	\$ 525,600	\$ 605,600	\$ 567,700		
<b>Income</b>														
Deposits	995,900	670,900	810,000	1,219,600	746,500	778,900	916,800	1,365,000	1,125,700	1,199,100	888,300	1,124,100	11,840,800	102%
Processing Fees	(22,600)	(15,300)	(18,400)	(27,700)	(17,000)	(17,700)	(20,800)	(31,000)	(25,600)	(27,300)	(20,200)	(25,600)	(269,200)	-2%
<b>Income</b>	<b>973,300</b>	<b>655,600</b>	<b>791,600</b>	<b>1,191,900</b>	<b>729,500</b>	<b>761,200</b>	<b>896,000</b>	<b>1,334,000</b>	<b>1,100,100</b>	<b>1,171,800</b>	<b>868,100</b>	<b>1,098,500</b>	<b>11,571,600</b>	<b>100%</b>
<b>COGS</b>														
Inventory Purchases	348,600	234,800	283,500	426,900	261,300	272,600	320,900	477,800	394,000	419,700	310,900	393,400	4,144,400	36%
3PL	154,400	104,000	125,600	189,000	115,700	120,700	142,100	211,600	174,500	185,900	137,700	174,200	1,835,400	16%
<b>COGS</b>	<b>503,000</b>	<b>338,800</b>	<b>409,100</b>	<b>615,900</b>	<b>377,000</b>	<b>393,300</b>	<b>463,000</b>	<b>689,400</b>	<b>568,500</b>	<b>605,600</b>	<b>448,600</b>	<b>567,600</b>	<b>5,979,800</b>	<b>52%</b>
<b>Gross Profit</b>	<b>470,300</b>	<b>316,800</b>	<b>382,500</b>	<b>576,000</b>	<b>352,500</b>	<b>367,900</b>	<b>433,000</b>	<b>644,600</b>	<b>531,600</b>	<b>566,200</b>	<b>419,500</b>	<b>530,900</b>	<b>5,591,800</b>	<b>48%</b>
% of Income	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
<b>Expenses</b>														
<b>Payroll Expenses</b>														
Wages	174,000	161,200	161,200	174,000	161,200	161,200	174,000	161,200	161,200	174,000	161,200	161,200	1,985,600	17%
401k Match / Profit Sharing	4,400	4,000	4,000	4,400	4,000	4,000	4,400	4,000	4,000	4,400	4,000	4,000	49,600	0%
Employee Benefits	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	273,600	2%
<b>Payroll Expenses</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>2,308,800</b>	<b>20%</b>
<b>Operating Expenses</b>														
Advertising & Marketing	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	914,400	8%
Facilities	7,800	7,800	7,800	7,800	7,800	7,800	8,000	8,000	8,000	8,000	8,000	8,000	94,800	1%
Professional Fees	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	104,400	1%
General & Administrative	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	232,800	2%
Office Expense	3,200	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,200	0%
Software & Equipment	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	98,400	1%
Insurance	1,600	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,100	0%
Sales Tax	49,800	33,500	40,500	61,000	37,300	38,900	45,800	68,300	56,300	60,000	44,400	56,200	592,000	5%
<b>Operating Expenses</b>	<b>174,900</b>	<b>158,300</b>	<b>165,300</b>	<b>185,800</b>	<b>162,100</b>	<b>163,700</b>	<b>170,800</b>	<b>193,300</b>	<b>181,300</b>	<b>185,000</b>	<b>169,400</b>	<b>181,200</b>	<b>2,091,100</b>	<b>18%</b>
<b>Finance and Admin</b>														0%
<b>Total Expenses</b>	<b>376,100</b>	<b>346,300</b>	<b>353,300</b>	<b>387,000</b>	<b>350,100</b>	<b>351,700</b>	<b>372,000</b>	<b>381,300</b>	<b>369,300</b>	<b>386,200</b>	<b>357,400</b>	<b>369,200</b>	<b>4,399,900</b>	<b>38%</b>
<b>Other Income/Expense</b>														0%
<b>Bankruptcy Expenses</b>														
Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Professional Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Plan Payments														
SBA Claim	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400	0%
Priority Tax Claims	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	87,600	1%
Unsecured Claims	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	9%
Excess Cash Payment	-	-	-	-	-	-	-	-	-	-	-	-	18,200	0%
<b>Bankruptcy Expenses</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>118,200</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,218,200</b>	<b>11%</b>
<b>Net Income</b>	<b>(5,800)</b>	<b>(129,500)</b>	<b>(70,800)</b>	<b>89,000</b>	<b>(97,600)</b>	<b>(83,800)</b>	<b>(57,200)</b>	<b>163,300</b>	<b>62,300</b>	<b>80,000</b>	<b>(37,900)</b>	<b>61,700</b>	<b>1,191,900</b>	<b>10%</b>
<b>Total Cash Flow:</b>														
<b>Ending Cash Balance</b>	<b>649,900</b>	<b>520,400</b>	<b>449,600</b>	<b>538,600</b>	<b>441,000</b>	<b>357,200</b>	<b>300,000</b>	<b>463,300</b>	<b>525,600</b>	<b>605,600</b>	<b>567,700</b>	<b>629,400</b>		

**Kate Quinn Organics, Inc.**

**Cash Forecast**

Trended Cashflow

For Management Use Only

	Forecast 1/31/2030	Forecast 2/28/2030	Forecast 3/31/2030	Forecast 4/30/2030	Forecast 5/31/2030	Forecast 6/30/2030	Forecast 7/31/2030	Forecast 8/31/2030	Forecast 9/30/2030	Forecast 10/31/2030	Forecast 11/30/2030	Forecast 12/31/2030	Total FY30	% Rev
Beginning Cash	\$ 629,400	\$ 625,800	\$ 494,800	\$ 432,700	\$ 535,500	\$ 445,800	\$ 370,100	\$ 300,000	\$ 479,100	\$ 554,100	\$ 647,800	\$ 619,600		
<b>Income</b>														
Deposits	1,025,800	691,000	834,300	1,256,200	768,900	802,300	944,300	1,406,000	1,159,500	1,235,100	914,900	1,157,800	12,196,100	102%
Processing Fees	(23,300)	(15,700)	(19,000)	(28,600)	(17,500)	(18,300)	(21,500)	(32,000)	(26,400)	(28,100)	(20,800)	(26,400)	(277,600)	-2%
<b>Income</b>	<b>1,002,500</b>	<b>675,300</b>	<b>815,300</b>	<b>1,227,600</b>	<b>751,400</b>	<b>784,000</b>	<b>922,800</b>	<b>1,374,000</b>	<b>1,133,100</b>	<b>1,207,000</b>	<b>894,100</b>	<b>1,131,400</b>	<b>11,918,500</b>	<b>100%</b>
<b>COGS</b>														
Inventory Purchases	359,000	241,900	292,000	439,700	269,100	280,800	330,500	492,100	405,800	432,300	320,200	405,200	4,268,600	36%
3PL	159,000	107,100	129,300	194,700	119,200	124,400	146,400	217,900	179,700	191,400	141,800	179,500	1,890,400	16%
<b>COGS</b>	<b>518,000</b>	<b>349,000</b>	<b>421,300</b>	<b>634,400</b>	<b>388,300</b>	<b>405,200</b>	<b>476,900</b>	<b>710,000</b>	<b>585,500</b>	<b>623,700</b>	<b>462,000</b>	<b>584,700</b>	<b>6,159,000</b>	<b>52%</b>
<b>Gross Profit</b>	<b>484,500</b>	<b>326,300</b>	<b>394,000</b>	<b>593,200</b>	<b>363,100</b>	<b>378,800</b>	<b>445,900</b>	<b>664,000</b>	<b>547,600</b>	<b>583,300</b>	<b>432,100</b>	<b>546,700</b>	<b>5,759,500</b>	<b>48%</b>
% of Income	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
<b>Expenses</b>														
<b>Payroll Expenses</b>														
Wages	182,700	169,300	161,200	174,000	161,200	161,200	174,000	161,200	161,200	161,200	161,200	161,200	2,002,400	17%
401k Match / Profit Sharing	4,600	4,200	4,000	4,400	4,000	4,000	4,400	4,000	4,000	4,400	4,000	4,000	50,000	0%
Employee Benefits	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	273,600	2%
<b>Payroll Expenses</b>	<b>210,100</b>	<b>196,300</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>201,200</b>	<b>188,000</b>	<b>188,000</b>	<b>2,326,000</b>	<b>20%</b>
<b>Operating Expenses</b>														
Advertising & Marketing	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	76,200	914,400	8%
Facilities	8,000	8,000	8,000	8,000	8,000	8,000	8,200	8,200	8,200	8,200	8,200	8,200	97,200	1%
Professional Fees	9,100	9,100	9,100	9,100	9,100	9,100	9,100	9,100	9,100	9,100	9,100	9,100	109,200	1%
General & Administrative	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400	244,800	2%
Office Expense	3,200	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,200	0%
Software & Equipment	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	98,400	1%
Insurance	1,600	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,100	0%
Sales Tax	51,300	34,600	41,700	62,800	38,400	40,100	47,200	70,300	58,000	61,800	45,700	57,900	609,800	5%
<b>Operating Expenses</b>	<b>178,000</b>	<b>161,000</b>	<b>168,100</b>	<b>189,200</b>	<b>164,800</b>	<b>166,500</b>	<b>173,800</b>	<b>196,900</b>	<b>184,600</b>	<b>188,400</b>	<b>172,300</b>	<b>184,500</b>	<b>2,128,100</b>	<b>18%</b>
<b>Finance and Admin</b>														0%
<b>Total Expenses</b>	<b>388,100</b>	<b>357,300</b>	<b>356,100</b>	<b>390,400</b>	<b>352,800</b>	<b>354,500</b>	<b>375,000</b>	<b>384,900</b>	<b>372,600</b>	<b>389,600</b>	<b>360,300</b>	<b>372,500</b>	<b>4,454,100</b>	<b>37%</b>
<b>Other Income/Expense</b>														0%
<b>Bankruptcy Expenses</b>														
Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Professional Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Plan Payments														
SBA Claim	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400	0%
Priority Tax Claims	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	87,600	1%
Unsecured Claims	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	9%
Excess Cash Payment	-	-	-	-	-	-	-	41,000	-	-	-	-	41,000	0%
<b>Bankruptcy Expenses</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>141,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>1,241,000</b>	<b>10%</b>
<b>Net Income</b>	<b>(3,600)</b>	<b>(131,000)</b>	<b>(62,100)</b>	<b>102,800</b>	<b>(89,700)</b>	<b>(75,700)</b>	<b>(70,100)</b>	<b>179,100</b>	<b>75,000</b>	<b>93,700</b>	<b>(28,200)</b>	<b>74,200</b>	<b>1,305,400</b>	<b>11%</b>
<b>Total Cash Flow:</b>														
<b>Ending Cash Balance</b>	<b>625,800</b>	<b>494,800</b>	<b>432,700</b>	<b>535,500</b>	<b>445,800</b>	<b>370,100</b>	<b>300,000</b>	<b>479,100</b>	<b>554,100</b>	<b>647,800</b>	<b>619,600</b>	<b>693,800</b>		

## **EXHIBIT B**

### **Assumptions Underlying the Projections**

Kate Quinn Organics, Inc.								
Assumptions Underlying Projections								
	Assumption	Remainder - 2025		2026	2027	2028	2029	2030
1	Deposits	Based on current pipeline for product launches.			Assumes a 3% annual increase in deposits.			
2	Inventory	Based on current inventory purchase forecast through year-end.			Assumes inventory costs are approximately 35% of monthly deposits			
3	3PL	Based on forecasted inventory, sales volume, and current 3PL rates.			Assumes 3PL costs are approximately 15.5% of monthly deposits.			
4	Payroll	Based on stabilized expenses as of June 2025.	Assumes one additional headcount and a 5% cost increase over the prior year.			Assumes 5% cost escalation over the prior year.		
5	Advertising & Promotion	Based on either minimum marketing budget of \$60k, or up to 5% of deposits.		Assumes 5% cost escalation over the prior year; Straight-lined monthly.				
4	Facilities	Based on lease agreement and historical cost of utilities.		Assumes increases to base rent and NNN per lease agreement, and 5% cost escalation over the prior year utility costs.				
5	Professional Fees	n/a	Assumes hiring a bookkeeper and CPA for tax services.		Assumes 5% cost escalation over the prior year.			
6	Other Operating Expenses	Based on average stabilized expenses from Q2 2025.		Assumes 5% cost escalation over the prior year.				
7	Sales Tax			Based on 5% of deposits.				
8	SBA Claim			Assumes plan payments of \$2,700 per month.				
9	Priority Tax Claims			Assumes plan payments of \$7,300 per month.				
10	Unsecured Claims			Assumes plan payments of \$90,000 per month.				
11	Excess Cash Payment	n/a		Assumes cash beyond \$300,000 in the operating account at the July month-end will be distributed pursuant to the Plan.				

## **EXHIBIT C**

### **Liquidation Analysis**

## LIQUIDATION ANALYSIS

The Bankruptcy Code requires that, for a given class of claims, each holder of a claim or interest in such class must either vote to accept the plan, or, alternatively, receive or retain under the plan property of a value that is not less than the amount that such holder would receive or retain if the debtor's assets were liquidated in and the proceeds distributed under a chapter 7 liquidation. This is generally known as the "best interests of creditors" test. As set forth below, the Debtor believes that the Plan satisfies the standard.

To apply the test, the Debtors' assets are valued in the context of a distressed liquidation in a chapter 7 case by a trustee appointed by the Bankruptcy Court. The estimated values take into consideration the costs and expenses of the liquidation, and such additional administrative and priority claims that may result from conversion of the case to a chapter 7 for the purpose of liquidation. Net liquidation proceeds would be paid to Holders of Unsecured Claims only to the extent funds are available after Holders of Secured Claims have been paid the full value of their Collateral and Holders of Priority Tax Claims receive full payment on their Claims.

The Debtor is a direct-to-consumer e-commerce business that manufactures its clothing in India with collectible custom prints and styles, using sustainable and organic fabrics. Its products are in limited production, and the Debtor typically does fresh product launches weekly. As such, KQO generally has limited product inventory on hand at any given time. All of the Debtor's limited physical assets are over-encumbered by the respective Liens of the SBA and, potentially, certain merchant cash advance lenders. The Debtor's estimate of a liquidation value incorporates, but is not limited to, the following facts and assumptions:

### **Liquidation Values:**

<b>Asset</b>	<b>Scheduled Value</b>	<b>Current/Liquidation Value</b>
Cash and Cash Equivalents	\$279,614.92	\$419,200.00
Factory Deposits	\$167,300.00	\$88,000.00
Professional Retainers	\$43,593.15	\$43,593.15
Inventory	\$93,282.00	\$55,880.00
Office Furniture & Fixtures	\$5,000.00	\$0.00
Computers & Equipment	\$5,000.00	\$0.00
<b>TOTAL</b>	<b>\$593,790.07</b>	<b>\$606,673.15</b>

- Cash on hand is an approximate amount, less any payments of Court-approved expenses.
- Current deposits held by the Debtor's factory supplier is approximately \$88,000 as of June 30, 2025.
- The wholesale value of Debtor's inventory as of June 30, 2025 is approximately \$111,760. Inventory would have de minimis value, if any, on the open market. All products are purchased by consumers directly from KQO's website. The liquidation

value is a generous estimate of what the Estate might receive if the inventory was sold to a third-party liquidator or clearance vendor (50% of \$111,760).

- The cost and expense of auctioning or locating a potential buyer for the office furniture, fixtures, computers and related equipment would exceed any proceeds of sale realized, and would be abandoned by a chapter 7 trustee pursuant to Bankruptcy Code § 554(a) as being of inconsequential value to the Estate.
- The Debtor's internet domain name, website, and customer goodwill are assets specific to the KQO brand and have no value to any third party.

### **Liquidation Expenses:**

The gross amount of liquidation proceeds estimated above would be reduced by the costs and expenses that a chapter 7 trustee would incur in that process. The trustee would be entitled to a statutory commission pursuant to § 326(a) of the Bankruptcy Code. In addition, the trustee would presumably engage bankruptcy counsel to investigate and, if advisable, pursue avoidance and preference actions, and an accountant to provide tax advice and prepare Estate tax returns. It is impossible to estimate with any reliability as to what each of these expenses would total, but for purposes of this analysis the following amounts are included:

<b>Professional</b>	<b>Estimated Expense Amount</b>
Chapter 7 Trustee	*\$33,584
Trustee's bankruptcy counsel	\$30,000
Trustee's accountant	\$20,000
<b>TOTAL</b>	<b>\$83,584</b>

\* This amount is the product of the gross liquidation proceeds (\$606,673.15) times the statutory commission framework set forth in Bankruptcy Code § 326(a).

### **Total Estimated Liquidation Value:**

The estimated net liquidation recovery would be as follows:

Gross liquidation proceeds:	\$606,673
Less: Liquidation expenses:	\$ 83,584
<b>Total:</b>	<b>\$523,089</b>

### **Best Interests of Creditors:**

Under the Plan, the Debtor has proposed monthly payments to Creditors of \$100,000 per month (\$90,000/month to Unsecured Creditors; \$2,700/month to SBA; and \$7,300/month to Holders of Priority Tax Claims) for sixty months, totaling \$6,000,000 over the life of the Plan. In addition, the Debtor has committed to paying all cash on hand in excess of the Operating Reserve (\$300,000), if any, each July throughout the Plan. While it is impossible to estimate the Debtor's revenues over the next five years with any certainty, particularly in light of the ongoing uncertainty in the United States and globally regarding tariffs, duties, and related issues, based

on the projections, the Debtor estimates excess cash payments could total \$59,200 over the life of the Plan, further benefiting Creditors.

The Reorganized Debtor will act as the disbursing agent for all payments to Holders of Claims required to be made under the Plan, thereby reducing costs of administration.

As this liquidation analysis shows, Creditors would likely receive over \$5,476,911 more than they would receive in a liquidation of the Debtor. Accordingly, the Plan provides a far more favorable alternative for Creditors than a chapter 7 liquidation and therefore satisfies the best interests of creditors test.